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Approved by:

Wayne Molstad, Agricultural Counselor

U.S. Embassy

Prepared by:

WFM

Report Highlights:

Poland's 2002/03 sugar production increased to its highest level since 1996/7 and exceeds local demand by 500,000 tons. Sugar production is expected to decline 15 percent in 2003/04 but still exceed local demand. Sugar exports in current and forecast years will be relatively high. Poland will likely join the EU in May 2004. Based on the terms of the accession agreement, Polish sugar production will decline slightly when compared with average production over the last few years.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Warsaw [PL1], PL

Executive Summary	1
Production	2
Sugar Beets PSD Table	2
Centrifugal Sugar PS&D Table	3
-Beet Production:	3
-Sugar Production:	3
-New Law and Quota Levels:	4
-Price Changes:	6
-Processing Infrastructure:	6
Consumption	7
Centrifugal Sugar Price Table	8
Trade	9
Centrifugal Sugar Import Table	9
Centrifugal Sugar Export Table	10
Stocks	10
Policy	11
-Sugar Market Regulation Law:	11
-EU Accession Production Quotas:	11
-Tariffs:	12
-Tariff rate import quotas:	12
-Export subsidies:	13
Marketing	13

Executive Summary

Poland's sugar beet and sugar production increased 34 percent in 2002/03. This put sugar production at its highest level in 6 years. It rose due to very favorable weather conditions for beets which led to high sugar beet yield and record sugar yield. Such high production was achieved despite continuing acreage reductions which in 2002/03 dropped 5 percent from the previous year and 25 percent compared to the late 90's, the lowest reported level in decades. Sugar beet production and sugar production are expected to fall in 2003/04 because of further acreage reduction, an extended winter and forecast less favorable weather conditions. Nevertheless, forecast sugar production will exceed the allocated quota A sugar level for domestic consumption plus quota B sugar for export with approved subsidies. Such a situation combined with large stocks from last year will stimulate exports of which almost two-thirds will be exported at world prices, below the domestic cost of production.

The current sugar law which went into effect this year after expected small modifications intended to stabilize beet production, support farmers, and bring Poland's sugar sector into closer compatibility with EU policy. In December 2002 Poland finalized negotiations with the EU on terms of accession. Poland will join the EU in May 2004. Based on the agreement, although Polish sugar beet farmers are expected to receive better profits, the sugar production quotas are somewhat lower than current production. It is expected that the current Polish sugar industry under EU conditions will have to restructure and modernize significantly to be competitive.

Production

Sugar Beets PSD Table

PSD Table						
Country	Poland					
Commodity	Sugar Beets				(1000 HA)(1000 MT)	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]
Market Year Begin		09/2001		09/2002		09/2003
Area Planted	317	317	303	303	0	290
Area Harvested	317	317	303	300	0	290
Production	11364	11364	11800	11700	0	10500
TOTAL SUPPLY	11364	11364	11800	11700	0	10500
Utilization for Sugar	11364	11364	11800	11700	0	10500
Utilizatn for Alcohol	0	0	0	0	0	0
TOTAL UTILIZATION	11364	11364	11800	11700	0	10500

Centrifugal Sugar PS&D Table

PSD Table						
Country	Poland					
Commodity	Centrifugal Sugar				(1000 MT)	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]
Market Year Begin		09/2001		09/2002		09/2003
Beginning Stocks	250	256	189	238	208	337
Beet Sugar Production	1685	1674	2000	2250	0	1900
Cane Sugar Production	0	0	0	0	0	0
TOTAL Sugar Production	1685	1674	2000	2250	0	1900
Raw Imports	0	13	0	0	0	0
Refined Imp.(Raw Val)	70	84	65	85	0	85
TOTAL Imports	70	97	65	85	0	85
TOTAL SUPPLY	2005	2027	2254	2573	208	2322
Raw Exports	0	0	0	0	0	0
Refined Exp.(Raw Val)	75	61	300	500	0	350
TOTAL EXPORTS	75	61	300	500	0	350
Human Dom. Consumption	1725	1712	1730	1720	0	1720
Other Disappearance	16	16	16	16	0	16
Total Disappearance	1741	1728	1746	1736	0	1736
Ending Stocks	189	238	208	337	0	236
TOTAL DISTRIBUTION	2005	2027	2254	2573	0	2322

-Beet Production:

Poland's 2003/04 sugar beet crop is forecast to decline over 10 percent from last year's production. It is expected that beet area will further decline in 2003/04, to the lowest level in over 30 years, due to limited industry contracts because of current sugar oversupplies. It is also forecast that yields will be lower due to an extended winter, which will result in late sowing, and likely less favorable weather conditions than the previous year's better than average weather.

-Sugar Production:

Poland is Europe's third largest sugar producer after France and Germany. The Polish government supports the refining industry through enforced production quotas, price supports, high tariffs on imported sugar and export subsidies. Sugar production in MY 2003/04 is projected to decline almost 16 percent due to anticipated reduced acreage as well as reduced sugar beet production and yields. Forecast sugar production will still be around

250,000 tons of raw sugar equivalent (15 percent) larger than production A quota (allocated for the local market), and forecast over production will be more than double 111,091 tons raw (equivalent of 102,200 tons of white sugar) allowed to be exported with subsidies.

Excellent weather conditions resulted in very high sugar beet yields and record sugar yields in MY 2002/03 resulting in 34 percent larger sugar production. Increased production created current market over supplies and will result in increased exports and sugar stocks.

-New Law and Quota Levels:

A Sugar Market Regulation law governing current sugar industry was approved by the parliament in 2001 (see last year's sugar annual report). It will be somewhat modified early this year to better serve the market. However, no changes in production quotas are foreseen. Current limited political support of the interests of sugar beet farmers and the sugar industry are creating rather stable production conditions while there are no significant changes in sugar production quota levels.

The law requires the Council of Ministers to determine production quotas each year. Separate quotas are set for domestic consumption and for export. Quota A is established for domestic sugar sales while quota B is for subsidized exports. All sugar produced exceeding these quotas is called Production C, which can not be sold on the local market but only exported without subsidies. The Agricultural Market Agency (AMA) of the Ministry of Agriculture is responsible for government intervention on the sugar market and for strategic sugar stocks.

For 2003/04, the white sugar A production quota has been slightly reduced (by 21,740 tons less) from current year, down to 1,652,240 tons (equivalent of 1.520 MMT white sugar). The iso-glucose production quota which was for the first time introduced for the current year has been increased from 40,000 to 60,000 tons of dry product in 42% iso-glucose solution for the MY 2003/04. The total subsidized sugar exports (quota B) for CY 2004 is somewhat reduced from the previous 113,483 tons to 111,091 tons (equivalent of 102,200 from 104,400 tons white sugar) due to reallocation for quota B iso-glucose. The iso-glucose quota B has been set at 2,200 tons (dry product, in 42% concentrate solution) at an annual allocation rate. The combined sugar and iso-glucose subsidized export B quotas are equivalent to 104,400 tons of white sugar which is the same level the B quota has been since CY 2000.

Quota Category Table

quota A	quota B	product C
- domestic consumption; - allocated for MY (Jul-June*)	- domestic consumption or - export with subsidy; - allocated for CY	- production over the quotas; - exported before end of CY - exported in high sugar content product before end of the CY

* MY was Oct-Sept until MY 2001/02.

Sugar Quotas (metric tons of refined sugar; raw sugar equivalent in parenthesis)

quota A	quota B	product C output
MY2003/04: 1,520,000 (1,652,240)	CY 2004: 102,200 (111,091)	N/A
MY2002/03: 1,540,000 (1,673,900)	CY 2003: 102,200 (111,091)	N/A
MY2001/02: 1,540,000 (1,673,900)	CY 2002: 104,400 (113,482)	MY2001/02: 0
MY2000/01: 1,520,000 (1,652,240)	CY 2001: 104,400 (113,482)	MY2000/01: 388,600 (422,408)

Iso-glucose Quotas, metric tons of dry iso-glucose of 42% fructose concentrate:

quota A	quota B	product C output
MY2003/04: 60,000	CY 2004: 2,200	N/A
MY2002/03: 40,000	CY 2003: 4,400	N/A
MY2001/02: no quota	CY 2002: no quota	N/A
MY2000/01: no quota	CY 2001: no quota	N/A

Inulin Quotas

quota A	quota B	product C output
MY2003/04: not announced	CY 2003: not announced	N/A
MY2002/03: not announced	CY 2003: not announced	N/A
MY2001/02: no quota	CY 2002: no quota	N/A
MY2000/01: no quota	CY 2001: no quota	N/A

-Price Changes:

Based on the current law since MY 2002/03, the Government of Poland (GOP) sets an intervention price for white sugar (the price which the AMA will pay for white sugar purchased under the intervention program) and a basic price for sugar beets. The intervention price for white sugar has been suggested by the Council of Ministers at zlotys 1.85 per kilogram (not yet finally approved), it was set at zlotys 1.80 per kilogram for the current MY (4.0 zlotys = USD 1). Basic sugar beet prices paid to farmers for beets delivered within quota A has been set for MY 2003/04 at zlotys 122.84 per ton (USD 30.71) of beets with 16% sugar content (it was zlotys 115 per ton this year) and zlotys 85.24 per ton of beets delivered within quota B. These prices are modified according to sugar content in beets.

-Processing Infrastructure:

Of 76 sugar refineries in Poland, 33 have foreign capital. Currently, foreign investors contract beets with 44% of farmers representing 44% of total sugar beet area. Foreign investors produced 43% of total sugar annually for the last 3 years. In August 2002 a new Polish Sugar Holding (PSH) company was created from 26 refineries out of the remaining 43. Shares of the holding will be sold/transferred to farmers and processing industry workers. Some politicians had hoped to form PSH from over 50 local companies to create a company to dominate and compete with foreign investors. However, high costs and organization problems resulted in a smaller PSH. Sixteen processing facilities of the former Silesia Sugar Holding are likely to be acquired by French investor Saint Louis Sucre.

The major problems of the Polish sugar industry are relatively high cost of processing due to small facilities and short processing periods. A number of investors started to restructure their facilities by closing less efficient ones and extending production in others. As a result, of 76 refineries 11 did not operate at all last season. Further elimination of old refineries is expected for the upcoming season - one in British Sugar Overseas (BSO) and some planned in Sudzucker which did not yet start its restructuring. The lowest processing costs occur when processing is at least 85 days.

Following was a structure of sugar production during current MY:

Company	No of Refineries	Closed Refineries	Sugar Produced	Country Share	Length of Processing
British Sugar Overseas (BSO)	10	5	211,000 tons	10.6%	85-105
Pfeifer und Langen	11	3	334,000	16.7%	85
Sudzucker	6		164,300	8.2%	62
Nordzucker	6	some	160,000	8.0%	52
Slaska Sp.Cukrowa	16	2	350,000	17.5	70
Krajowa Spolka Cukrowa (PSH)	26		781,000	39%	62

Lubelsko - Malopolska S.C	1	1	n/a	n/a	n/a
Country Total	76	11	almost 2.0 million tons	100%	over 60 (around 50 previous year)

The average Polish sugar refinery processes approximately 3,000 tons a day compared with 12,500 tons in the Netherlands, 10,500 tons in Austria, 9,140 tons in Denmark and 7,685 tons in the rest of the European Union. Twenty-five percent of the beet crop is processed in the 9 largest refineries. Over ten percent of the refineries could be shut but production could still reach 2 million tons annually which would more than fulfill domestic needs. Some experts believe that half of all refineries could be closed and production would still be sufficient to fulfill domestic demand. There are 22,000 people employed in Poland's sugar industry. The government is reluctant to push radical restructuring of the industry given current high national unemployment (18 percent) and a lagging economy.

Consumption

Polish sugar consumption has remained virtually unchanged since 1994. Sugar consumption in Poland was approximately 44.5 kilograms per capita (raw value) in CY 2001. Total domestic sugar consumption is estimated to be 1.72 million tons, less than one percent decline from year before. The Institute of Agricultural Economics estimates that total direct sugar consumption in households and restaurants/cafeterias was 915,000 tons (1.0 million tons raw value) in CY 2002, down slightly from 2001. Industrial sugar consumption slightly increased to a total of 650,000 tons (706,550 tons raw value). As a result of foreign investment, fruit and vegetable juice, beer, chocolate and ice cream production have experienced relatively strong growth in recent years. The production of high sugar content products stabilized over the last two years, however, strong juice and jam production growth continues.

Besides beet sugar, Poland produces honey, glucose and starches. So far, there has been little substitution among these sweeteners for beet sugar on the Polish market. However, iso-glucose production increased over the past two years due to expanding capacity at Cargill's facility and soft drink manufacturer demand. It is the sole iso-glucose production plant in Poland.

Production of Non-Sugar Sweeteners, 1999-2001 (1000 metric tons):

	CY 1999	CY 2000	CY 2001	CY 2002
Honey, bee	8.9	8.6	9.0	8.5
Honey, artificial	1.6	0.7	1.1	1.0
Starch syrup, from potatoes	18.0	25.0	20.0	N/A
Starch syrup, from grain	45.0	N/A	N/A	N/A

Glucose from potatoes	2.0	3.5	2.0	N/A
Glucose-Fructose syrup	9.2	23.6	38.8	N/A

In 2001, iso-glucose production reached 27,600 tons (dry product, 42% fructose) and during the first 9 months of 2002, 30,700 tons. In 2000, iso-glucose production was 16,800 tons. Polish iso-glucose production capacity reached 80,000 tons in CY 2000 and was expected to be 120,000 in 2002. If such capacity was fully utilized, it would be equivalent to approximately 84,000 tons of white sugar which could reduce some demand for beet sugar. Starting from 2002/03 iso-glucose production is limited by quotas. Quota A for 2003/04 has been increased from 40,000 tons to 60,000 tons (dry product, 42% fructose) and quota B 2,200 tons.

Until 1996, starch had been produced in Poland only from potatoes. Now grain (wheat and corn) are also utilized.

Centrifugal Sugar Price Table

Prices Table			
Country	Poland		
Commodity	Centrifugal Sugar		
Prices in	zlotys	per uom	kilogram
Year	2001	2002	% Change
Jan	2.14	2.15	0.47%
Feb	2.12	2.15	1.42%
Mar	2.1	2.15	2.38%
Apr	2.09	2.15	2.87%
May	2.08	2.14	2.88%
Jun	2.15	2.14	-0.47%
Jul	2.09	2.14	2.39%
Aug	2.08	2.12	1.92%
Sep	2.07	2.13	2.90%
Oct	2.15		-100.00%
Nov	2.15		-100.00%
Dec	2.15		-100.00%
Exchange Rate	4.0554	Local currency/US \$	

Note: the above are wholesale prices for white sugar, VAT not included.

Trade

In MY2003/04 Poland is expected to continue large exportable sugar supplies for the second consecutive year.

Estimated MY2003/04 exports will be around 350,000 tons. More than two-thirds of these exports will be exported at world market prices without subsidies because Poland is limited to 111,091 tons (raw equivalent) to be exported with subsidies per its WTO commitment. Current year exports should reach around 0.5 million tons due to large production and stocks.

For CY 2002, available data for January - November showed 78,274 tons of exported white sugar, mainly sugar from the new harvest. Each kilogram of sugar sold domestically during MY 2002/03 is taxed two percent of the intervention sugar price (1.80 zln/kg) of A quota production and 16 percent of the intervention price of quota B production to pay for export subsidies in CY 2003.

Despite sugar oversupply on the market in Poland, significant sugar imports are reported each year. These imports increased in MY 2001/02 to 97,000 tons raw value from 50,000 tons in MY 2000/01, because of relatively low sugar prices on the world market. Imports were mainly from EU and CEFTA countries, within reduced tariff rate quotas (TRQ). Despite sufficient domestic production, TRQ imports will continue due to relatively high domestic prices when compared with world market prices.

Centrifugal Sugar Import Table

Import Trade Matrix			
Country	Poland		
Commodity	Centrifugal Sugar		
Time period	Sep-Aug	Units:	metric tons
Imports for:	2001		2002
U.S.	0	U.S.	
Others		Others	
Germany	41,701	Germany	36,548
Romania	3,858	Czech Republic	22,315
Kazakhstan	2,480	Slovakia	21,117
Czech Republic	1,354	Romania	4,981
Netherlands	610	Brazil	3,478
France	65	Denmark	2,459
Mauritius	65	Sweden	2,102
		Belgium	1,289
		Hungary	1,025
		Austria	986
Total for Others	50133		96300
Others not Listed	183		1,561
Grand Total	50316		97861

Note: Figures in the Trade Matrix tables are in raw sugar, based on data from the Global Trade Atlas -WTA

Centrifugal Sugar Export Table

Export Trade Matrix			
Country	Poland		
Commodity	Centrifugal Sugar		
Time period	Sep.-Aug.	Units:	metric tons
Exports for:	2001		2002
U.S.	147	U.S.	100
Others		Others	
Ukraine	175,748	Ukraine	27,006
Uzbekistan	88,848	Czech Republic	13,573
Russia	56,189	Slovakia	6,455
Czech Republic	22,804	Hungary	3,164
Romania	16,674	Russia	3,038
Moldova	15,279	Germany	2,854
Slovakia	15,864	Uzbekistan	2,174
Turkmenistan	8,913	Italy	1,222
Belarus	8,269	Moldova	363
Hungary	6,847	Latvia	230
Total for Others	415435		60079
Others not Listed	22,842		702
Grand Total	438424		60881

Note: Figures in the Trade Matrix tables are in raw sugar, based on data from the Global Trade Atlas -WTA

Stocks

Although MY2001/02 sugar production was somewhat below domestic consumption, stocks from the previous year plus TRQ imports resulted in high ending stocks, at a level equivalent to 14 percent of total domestic sugar consumption. Large production in 2002/03 will result in further stock accumulation, up to an estimated 340,000 tons, 19 percent of the country's consumption. High stocks are blamed for reduced local sugar prices and low industry profitability.

In addition to sugar stocks held by the industry, significant sugar stocks are also held by the Agricultural Market Agency (AMA). The AMA is responsible for intervention in the market and maintaining government stocks.

Policy**-Sugar Market Regulation Law:**

The sugar market in Poland is regulated by a June 2001 law. It regulates sugar, iso-glucose and inulin production starting in MY 2002/03. The law is intended to support domestic beet farmers and the sugar processing sector by developing stable production conditions. It institutes intervention prices for sugar, creates a contract and "basic" beet price system, establishes price guarantees for beet producers, establishes production quotas for sugar, iso-glucose and inulin production quotas, and limits processing to domestic raw materials for both sugar and iso-glucose. The law is designed to assure beet farmers that the majority of domestic sugar demand will be met by domestically produced beet sugar. It also contained provisions for development of a new national Polish Sugar Holding (PSH) (see "Processing Infrastructure" for further details). The company is supposed to control a significant part of local sugar production.

Because of certain inconsistencies with EU sugar sector regulations, the law is expected to be adjusted in early 2003 in preparation for likely Polish EU accession May 2004. These changes are not expected to impact production or consumption.

-EU Accession Production Quotas:

In December 2002 Poland signed its EU accession agreement conditions. The sugar production quotas for Poland were set at 1,580,000 tons white sugar (1,717,460 ton of raw sugar) for domestic use quota A and 91,926 tons quota B (99,924 tons of raw sugar) for export with subsidies. Originally, Poland requested a 1,866,000 ton white sugar quota (1,650,000 tons A quota and 216,000 tons B quota). For iso-glucose production, the total agreed quota is 26,781 tons. In the final stage of its negotiations, Poland was requesting a 40,000 ton iso-glucose production quota. Poland had reportedly originally been seeking a much higher iso-glucose production quota but this was rejected by the EU and during the course of EU-Poland negotiations, it declined even further.

Based on the above quotas, after accession, sugar production in Poland may be estimated at 1,760,000 tons of white sugar (1,913,120 tons of raw sugar), including 90,000 tons of sugar C (97,830 tons raw sugar), produced above A and B quotas. Such production would mean around 5 percent lower sugar production than the average for the last 5 years.

The external EU tariffs for sugar, to be adopted upon accession, will likely be high enough (currently 430 EUR per ton) to block non-EU imports. Prices paid for beets to sugar producers in Poland after accession may increase significantly, up to 50 percent above current prices. However, EU beet prices are strongly related to sugar content or sugar production per hectare. This EU policy is different from current Polish policy. The sugar yields in Poland are usually far lower than in other EU countries. In recent years the raw sugar production from one hectare in Poland is slightly over 5 tons, while the EU average is almost 9 tons. Higher prices for sugar beets mean higher raw material cost and lower profits for the refining industry. To be competitive the industry would have to face a strong restructuring process of significant elimination of inefficient facilities, up to 50 percent.

-Tariffs:

The Polish Government protects domestic beet and sugar production by applying high tariffs on imported sugar. Many products with high sugar content have an additional tariff assessed, based on the level of sugar contained in the product.

The basic tariffs effective for CY 2003 are as follows::

Tariff No.	Description	MFN Countries	EU	Developing Countries	Least Dev. Countries
1701	Sugar 1/	96%, min. 0.43 EUR/kg	96%, min. 0.43 EUR/kg	96%, min. 0.43 EUR/kg	96%, min. 0.43 EUR/kg
1702	Other sugars 2/	40%, min. 0.17-0.48 EUR/kg	40%, min. 0.17-0.48 EUR/kg 2/	40%, min. 0.17-0.48 EUR/kg	40%, min. 0.17-0.48 EUR/kg
1703	Molasses 3/	40%, min. 0.17 EUR/kg	40%, min. 0.17 EUR/kg	40%, min. 0.17 EUR/kg	40%, min. 0.17 EUR/kg
0409	Natural Honey 4/	42%	42%	42%	42%

1/ 65,285 tons tariff rate quota applies for MFN countries with reduced tariff down to 40%, minimum 0.17 EUR/kg of which 32,500 tons is assigned only for imports from EU. Under the Central European Free Trade Agreement (CEFTA), cane sugar and raw centrifugal sugar imported from the Czech and Slovak Republics face a 40% tariff but no specific minimum tariff. In CY 2003, the TRQ for sugar imports from Hungary is 10,000 tons of raw beet sugar at 35% while Romania receives a TRQ for 10,000 tons of raw beet sugar and 5,000 tons of white sugars, both at a 15% tariff. 8,000 tons tariff free quota applies for flavored sugar imported from Estonia.

2/ 317.7 tons tariff rate quota (TRQ) is in effect for all CN 1702 30/40/90 categories in 2003 with 40% tariff or minimum 0.17 EUR/kg for all MFN members. Also, various tariff reductions apply for different categories if imported from EU, CEFTA, Latvia, Lithuania and Farrow Islands.

3/ In 2003, molasses imported from CEFTA countries have a reduced tariff of 14 percent and from Latvia of 5 percent.

4/ In 2002, there is a tariff rate quota of 340 tons of honey with a reduced tariff of 35 percent for WTO countries.

A large number of products containing sugar (tariff headings 0811, 1704, 1806, 1905, 2006, 2007, 2008, 2009 and 2105) have, in addition to the basic tariff, an additional duty for sugar contained in the product (DCC). DCC is calculated according to the following formula: DCC = 0.0017 EUR, 0.0049 or 0.00085 EUR per 10 grams or one percent of sugar contained in each kg of product. A number of EU products are exempt from DCC tariffs.

-Tariff rate import quotas:

For CY 2003, the total WTO compliant sugar tariff rate import quota is 65,285 tons with a reduced tariff of 40 percent, minimum 0.17 EUR/kg. Since 2001, within the WTO permitted quota for sugar, a portion is only

designated for the EU. Within the total TRQ of 65,285 tons for beet or cane sugar for all WTO countries, 32,500 tons are reserved for imports from EU countries for CY 2003. Under the Central European Free Trade Agreement (CEFTA), there are significant sugar import tariff quotas: 10,000 tons for Hungary at 35 percent tariff and 15,000 tons for sugar from Romania at 15 percent tariff.

-Export subsidies:

Poland's WTO commitments allow for certain quantities of subsidized sugar exports. The level of sugar exported with subsidies was scheduled to decrease each year until the year 2000. Since then, the level of subsidies agreed to was the same each year until 2003. Current WTO commitments are 104,400 tons of refined sugar (equivalent of 113,482 tons of raw sugar) at a maximum total subsidy value of USD 32 million. That quota, however, since CY 2002 has been reduced by 2,200 tons allocated for iso-glucose. Subsidized exports are paid for with money collected from taxes on domestically produced sugar, iso-glucose and inulin. Such taxes are 2% of the intervention sugar price for sugar (or equivalent of iso-glucose) produced within quota A and 16% of the intervention price of sugar produced within quota B (sugar or iso-glucose for export).

Marketing

Products covered by quotas are allowed to be imported only under specific conditions. The annual quota (PCN 1701) is split into equal quantities each quarter of the year and quarterly quotas are allocated for importers distributed equally among applying importers. The size of individual import permits within the tariff rate quotas is limited to up to a maximum of 100 tons. An importer applying for a quota has to pay a deposit of 30 EURO per ton for an import permit. This relatively large deposit is paid to the ARR account and is returned back after the actual import occurs. It is lost if the quota allocation is not fulfilled. Importers which receive quota allocations are obligated to submit monthly reports on such imports.